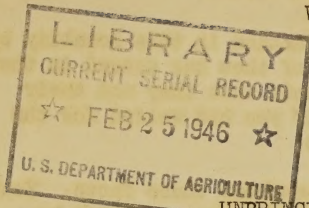


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UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Electrification Administration
Washington 25, D. C.



February 11, 1946

NEWSLETTER TOPICS

UNPRINCIPLED ATTACKS AGAINST CO-OPS
MUST BE MET BY MILITANT MEMBERSHIP

Advertisements seeking to discredit REA co-ops are appearing in newspapers and periodicals all over the country, signed by self-styled "business-managed, tax-paying" utilities. Radio broadcasts, similar in nature and sponsorship, carry the campaign over the air.

The advertisers screen their innuendo with an assumption of virtue that is designed to mislead the uniformed and disarm the unwary. That they are paying their advertising bill, as well as the taxes they boast about, by gouging their consumers for millions of dollars in excess charges for electric service, is not mentioned either in the ads or over the radio.

This campaign was deliberately planned to misinform the millions of people who do not know the truth about you and your cooperative. It is carefully phrased to make them believe that your co-op is not a locally-owned private business; that it was built with subsidies from the public treasury and is "government owned"; that it pays no taxes and is partly supported by private utilities; that these private utilities supply it with power at "less than cost" and other equally false and malicious insinuation.

Despite the fact that it does not actually mention REA co-ops in uncomplimentary terms, it is the most vicious attack which has yet been made against them.

It is up to you members to combat this evil effort with the truth. Every one of you has a direct financial and personal interest in your co-op.

You have personal contacts with every business man you deal with and with others who are not co-op members. Tell them the truth every time you see them. Tell them that you must do this in person because your cooperative, unlike the private profit companies, does not have the authority to overcharge, its consumers to pay for a propaganda campaign. Explain to them that the private profit concerns extract tens of millions of dollars from the pockets of their consumers to pay for advertising, to pay taxes, to pay for everything they do, and that they still have enormous profits to distribute among stock holders in distant places.

Explain to them that your co-op does not pay federal income taxes because, as a cooperative, it can earn no profits...it provides electric service at cost...but it pays all other taxes paid by any business. Show them that, except for its payments to the government and purchase of needed supplies, no part of the co-op's revenue leaves this community.

Explain to them that it has increased farm production in this locality by tens of thousands of dollars and that everyone of them has shared in that increased farm income. Tell your business friends that they and their town would never have realized these benefits if you had waited for the private companies to bring you electric service.

At every opportunity you should give non-members these facts. Your co-op is strictly a private business enterprise owned and operated by _____ local rural people. The co-op borrowed money from the government to build its lines just as any other business might borrow from a bank or from another government lending agency, and it is repaying every dollar of that loan, with interest. Your co-op _____ for its
(owns or pays a fair rental)

headquarters space, gives _____ local people jobs, pays taxes on its physical properties, meets all of its legitimate expenses and is paying for its properties out of revenues derived from reasonable service charges paid by you members. Its properties will be owned wholly by its members when the REA loan is paid off. It is strictly a home-owned enterprise.

Let everybody know that you consider these dishonest attacks as personal insults because your co-op belongs to you and your neighbors and is as much a part of your lives as your farms. Make it clear that you DON'T LIKE to be unjustly accused of being a tax-dodger or a treasury-raider, and that you feel you are entitled to the support of your neighbors and those with whom you do business.

POLE SHORTAGE IS MAJOR BOTTLENECK RETARDING CONSTRUCTION OF NEW LINES

We are making every effort within our power to overcome construction delays and bring service to you folks who are waiting to be connected. Plans now under way provide for the building of _____ miles of lines and the connection of _____ new consumers.

(Add any further details about your immediate
construction plans which may be pertinent)

Conditions which are beyond our control are delaying progress. Shortages of labor and of most materials are gradually diminishing, but the pole situation continues critical. So critical, in fact, that REA Administrator Claude R. Wickard, speaking to REA borrowers in Nebraska on January 25, said: "The most serious shortage in the REA field has been that of poles."

That this condition is country-wide, rather than local, adds to its seriousness, but we can take comfort from the fact that REA's staff saw it coming and did something about it.

It was apparent months ago that postwar requirements of REA borrowers would exceed established production capacity by approximately 1,000,000 poles per year. At Mr. Wickard's call, a conference of pole industry and government representatives met in Washington last September to consider new pole supply sources and devise means of expediting production and processing. New supply sources were located in the lodge-pole pine forests of the western mountains, the northwestern Douglas Fir area, and, to a less degree, southern farm wood lots.

Administrator Wickard assigned several assistants to the task of tapping new sources of supply and authorized modifications in REA and pole treatment specifications. As a result, new sources of supply now in operation, or definitely coming into production, in the western and northwestern areas have a capacity of nearly 750,000 poles per year. Southern production is also definitely on the upgrade. Eight new pole-treating plants are planned to go into operation before mid-1946. One each is located in Virginia, Georgia, Louisiana and Illinois and two each in Oklahoma and Texas. It is expected that REA borrowers will be able to contract for an important part of their production.

Creosote is a by-product of steel-mill coke ovens, and the strike tieup in the steel industry aggravated a shortage which was already bad. This condition may become acute with a prolonged shutdown of steel plants. However, there are substitutes for creosote which can be used in pressure plants and this form of relief is being explored actively.

Administrator Wickard said: "We will solve the pole problem and other construction problems in time. I pledge that the REA organization will give you every assistance. I am sure that the time will come when we will be building REA lines much faster than we ever have before."

We join Administrator Wickard in a similar pledge to those awaiting service from this co-op.

NATIONAL 4-H CLUB WEEK FOR 1946

National 4-H Club Week for 1946 will be observed March 2-10.

The 4-H Club program successfully met every challenge of the trying war period. Its members produced enough food to feed 3 million fighters for a year, bought or sold \$200,000,000 in war bonds and salvaged uncounted thousands of tons of scrap metal, waste fats and paper for the war effort. Thousands of them left their farm homes temporarily to serve in the armed forces or in war industries. The postwar challenge to build a just and enduring world peace offers even greater opportunities for service and provides a broader field for their activities.

The 1946 Better Farm-and-Home Methods Electric contest will again be a feature of the 4-H program. Last year 46 states accepted the contest and state winners in 40 of them qualified for participation in the awards made at the 4-H Club Congress at Chicago in December. It is expected that

equally as many states will accept the 1946 contest and that last year's qualifying total will be exceeded.

As was the case last year, the contest will be conducted cooperatively by the Extension Services of the State Colleges of Agriculture and the U. S. Department of Agriculture. County and state winners will be chosen and state winners will receive all expense trips to the National 4-H Club Congress at Chicago next December. Six of the state winners will be awarded \$200 scholarships donated by a manufacturer of electrical goods.

Another interesting contest open to 4-H clubbers is the second National 4-H Frozen Foods Contest. Prizes offered by a prominent manufacturer of farm equipment provide a medal for each county winner and a \$50 U. S. Bond to each recipient of state honors. Your local county agent can tell you more about it.

SOME GOOD EXAMPLES OF NEWSLETTER ITEMS

Tomorrow will be a yearsince we started using electricity and must say we never realized before how much electricity means on a farm. We would not want to be without it again for anything, and thank you for the splendid service you have given us. Mr. & Mrs. John Rosenberg, from newsletter of the Southwestern Minnesota Cooperative Electric, Pipestone, Minn.

Recently Mrs. John W. Brittain came by the office and told the story of how Mr. Brittain worked right on until dark--forgetting that old Boss was at the barn waiting to be milked. But why was he to worry, because he has lights everywhere and can milk as late and as early as he likes. Newsletter of Middle Tennessee Electric Membership Corporation, Murfreesboro, Tenn.

George Furbeck, Dearborn, reports a new use for his portable electric drill. He attached a circular wire brush to a half-inch bolt, then put the bolt in the drill chuck and used it to remove the rust from plows and other tools. Newsletter of the Platte-Clay Electric Cooperative, Platte City, Mo.